

September 10, 2012

Mr. Ramon Valadez Chairman, Pima County Board of Supervisors 130 West Congress Avenue, 11th Floor Tucson, Arizona 85701

Re: Tucson Water Service Policies in Unincorporated Pima County

Dear Chairman Valadez,

This letter is in response to your agenda item on the above subject matter for the September 11, 2012 meeting of the Pima County Board of Supervisors. Metro Water District (District) has reviewed the material provided by the County Administrator, Mr. Huckelberry, and would like to provide the Board with some additional information.

With the development of the Tucson Water Service Area Policy, Tucson Water staff and District staff have worked together to insure that areas outside of the policy would have the availability of water service through a municipal provider. Recently, the District acquired the Diablo Village Water Company in the Avra Valley area and has begun the process to establish a Designation of Assured Water Supply (DAWS) for this region. This would provide for the use of renewable water for all connections to the water system being served by the District. Part of this process also has included discussions with Tucson Water staff about the potential to "wheel" part of our Central Arizona Project (CAP) water through their existing infrastructure to this service area.

In the discussions between Tucson Water and Metro staff, the particular parcel identified in the memorandum by Mr. Huckelberry owned by Mr. Marrs was included in our discussions. Specifically, it was determined that the parcel in question is adjacent to the existing service area of the District and as such could be serviced by the District. While a developer always prefers to have the least expensive option to develop their property, the District has the capability to provide water service to the Marrs property with relatively minimal offsite extension of the existing water system. Based on this, the District is prepared to be the water provider for this property and allow for the development of this property to proceed.

The District does have a CAP allocation that is sufficient to provide not only for the Marrs property but additional properties in this area as well. The future development of a wheeling agreement with Tucson Water will enable this property, along with the rest of our service area, to be utilizing a renewable water supply and not rely on the use of groundwater as the District

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moves into the future. It is the District's position that questions of water service in the Avra Valley area have been resolved and we are more than capable of providing water service in this region.

Should you or any of the Board of Supervisors have any questions, I would be happy to address them with you.

Respectfully submitted,

Mark R. Stratton

XC: Pima County Board of Supervisors

Metro Water District Board of Directors

Chuck Huckelberry, Pima County Administrator

Andrew Quigley, Assistant City Manager, City of Tucson

Alan Forrest, Director, Tucson Water